

**Appendix #2 – Solicitation Terms for ARRA Acquisitions  
EECBG Community Energy Coordinator Grant RFA**

**Solicitation/Award Terms for ARRA Solicitations/Contracts**

These Contract clauses shall be used in all solicitations and contracts funded in whole or in part with funds from the American Recovery and Reinvestment Act of 2009 (ARRA).

**TERMS AND CONDITIONS FOR ARRA FUNDED CONTRACTS**

**a.) Sub-Recipients Requirements**

Contractor shall include these terms, including this requirement, in any of its subcontracts or subgrants in connection with projects funded in whole or in part with funds available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

**b.) Reporting & Registration Requirements (Section 1512)**

Division A, Title XV, Section 1512 of the ARRA outlines reporting requirements. Not later than ten calendar days after the end of each calendar quarter, the State must submit a report that, at a minimum, contains the information specified in Section 1512 of the ARRA. It is imperative all contracts involving the use of ARRA funds include requirements that the Contractor supply the State with the necessary information to provide these reports in a timely manner.

The Contractor's failure to provide complete, accurate, and timely reports shall constitute an "Event of Default". Upon the occurrence of an Event of Default, the State department or Agency may terminate the contract upon 30 days prior written notice if the default remains uncured within five calendar days following the last day of the calendar quarter, in addition to any other remedy available to the State department or Agency in law or equity.

**c.) Buy American Requirement (Section 1605)**

**I. Required Use of American Iron, Steel, and Other Manufactured Goods**

**(a) Definitions.** As used in this Section I:

"Designated Country" means Aruba, Australia, Austria, Belgium, Bulgaria, Chile, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, Australia, Costa Rico, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Morocco.

“Designated country iron, steel, and/or manufactured goods” mean iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of a Designated Country; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in a Designated Country into a new and different manufactured good distinct from the materials from which it was transformed.

“Domestic iron, steel and/or manufactured good” is iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of the United States; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of goods occurs in the United States.

“Federal Agency” means the department or agency of the federal government that awarded funds to the State of Colorado from the ARRA that finance the project described in this solicitation.

“Foreign iron, steel and/or manufactured good” means iron, steel and/or manufactured good that is not domestic or designated country iron, steel and/or manufactured goods.

“Manufactured good” means a good brought to the construction site for incorporation into the building or work that has been--

- (1) Processed into a specific form and shape; or
- (2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

“Public building” and “public work” means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

“Steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

**(b) Domestic preference.**

- (1) This term and condition implements:

- (i) Section 1605(a) of Division A, Title XVI of the ARRA by requiring that all iron, steel, and manufactured goods used in the public building or public work are produced in the United States; and

(ii) Section 1605(d) of Division A, Title XVI of the ARRA, which requires the application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of Section 1605 of the ARRA do not apply to Designated country iron, steel, and/or manufactured goods procured for projects with an estimated value of \$7,433,000 or more.

(2) The Contractor shall use only domestic or Designated country iron, steel and/or manufactured goods in performing work funded in whole or in part with funds available under the ARRA, except as provided in subparagraphs (3) and (4) of this paragraph (b).

(3) The requirement in paragraph (2) of this Section does not apply to the material listed by the Federal Agency as follows: **[List applicable excepted materials or indicate “none”]**

(4) The Federal Agency may add other iron, steel, and/or manufactured goods to the list in paragraph (b) (3) of this Section if the Federal government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of section 1605 of the ARRA would be inconsistent with the public interest.

**(c) Request for determination of inapplicability of Section 1605 of the ARRA.**

(1) (i) Any Bidder’s request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b) (4) of this Section shall include adequate information for Federal Agency evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this Section.

(iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.

(iv) Any Contractor’s request for a determination submitted after ARRA funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the Contractor does not submit a satisfactory explanation, the Federal Agency need not make a determination.

(2) If the Federal Agency determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the ARRA applies, the State will amend the contract to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended contract shall reflect adjustment of the contract amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the State shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Agency determines that an exception to section 1605 of the ARRA applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

**(d) Data.** To permit evaluation of requests under subparagraph (b)(4) of this Section based on unreasonable cost, the Bidder shall include the following information and any applicable supporting data based on the survey of suppliers:

FOREIGN AND DOMESTIC ITEMS COST COMPARISON				
Description	Unit of Measure	Quantity	Cost (Dollars)*	
<b>Item 1:</b>				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good	_____	_____	_____	
<b>Item 2:</b>				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good				
<b>[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]</b> <b>[Include other applicable supporting information.]</b> <b>[* Include all delivery costs to the construction site.]</b>				

## **II. Notice of Required Use of American Iron, Steel, and Other Manufactured Goods**

### **REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS— SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**(a) Definitions.** “Designated country iron, steel and/or manufactured goods,” “domestic iron, steel and/or manufactured goods,” “Federal Agency,” “Foreign iron, steel and/or manufactured good,” “Manufactured good,” “public building and public work,” and “steel,” as used in this Section, are defined in Section I..

**(b) Requests for determinations of inapplicability.** A prospective Bidder requesting a determination regarding the inapplicability of section 1605 of the ARRA should submit the request to the Federal Agency in time to allow a determination before submission of applications or proposals. Bidders should provide a copy of this request to DMB. The prospective applicant shall include the information and applicable supporting data required by paragraphs (c) and (d) of Section I of this solicitation in the request. If Bidder has not requested a determination regarding the inapplicability of Section 1605 of the ARRA before submitting its application or proposal, or has not received a response to a previous request, the applicant shall include the information and supporting data in the application or proposal. The Federal Agency is the sole entity authorized to make determinations regarding the inapplicability of Section 1605 of the ARRA.

**(c) Evaluation of project proposals.**

If the Federal Agency determines that an exception based on unreasonable cost of domestic iron, steel, and/or manufactured goods applies, the State will evaluate a project requesting an exception to the requirements of section 1605 of the ARRA by adding to the estimated total cost of the project 25 percent of the project cost, if foreign iron, steel, or manufactured goods are used in the project based on unreasonable cost of comparable manufactured domestic iron, steel, and/or manufactured goods.

**(d) Alternate project proposals.**

(1) When a project proposal includes foreign iron, steel, and/or manufactured goods, other than Designated country iron, steel and/or manufactured goods, not listed in paragraph (b)(3) of the Section 6.022, the Bidder also may submit an alternate proposal based on use of equivalent domestic iron, steel, and/or manufactured goods.

(2) If an alternate proposal is submitted, the Bidder shall submit a separate cost comparison table prepared in accordance with paragraphs (c) and (d) of Section I of this solicitation for the proposal that is based on the use of any foreign iron, steel, and/or manufactured goods for which the Federal Agency has not yet determined an exception applies.

(3) If the Federal Agency determines that a particular exception requested in accordance with paragraph (b) of Section I of this solicitation does not apply, the State will evaluate only those proposals based on use of the equivalent domestic or designated country iron, steel, and/or manufactured goods, and the Contractor shall be required to furnish such domestic or designated country items.

#### **d.) Wage Rate Requirements (Section 1606)**

All laborers and mechanics employed by contractors and subcontractors on projects funded in whole or in part with funds available under the ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality, as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40 of the United States Code. (See ARRA Sec. 1606). The Secretary of Labor's determination regarding the prevailing wages applicable in Colorado is available at <http://www.gpo.gov/davisbacon/co.html>.

#### **e.) Inspection & Audit of Records**

The Contractor shall permit the United States Comptroller General or his representative or the appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1998 or his representative (1) to examine any records that directly pertain to, and involve transactions relating to, this contract; and (2) to interview any officer or employee of the Contractor or any of its subcontractors/subgrantees regarding the activities funded with funds appropriated or otherwise made available by the ARRA.

#### **f.) Whistle Blower Protection for Recipients of Funds**

Contractor shall not discharge, demote or otherwise discriminate against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract or grant relating to Covered Funds; (2) a gross waste of Covered Funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of Covered Funds; an abuse of authority related to implementation or use of Covered Funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to Covered Funds. In this Subsection, "Covered Funds" shall have the same meaning as set forth in Section 1553(g)(2) of Division A, Title XV of the ARRA.

(a) Recipient must post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA. (For Colorado employees see the State Personnel Employee Protection Act CRS §24-50-101 et. seq. and obtain the complaint form at [www.colorado.gov/dpa/spb/docs/WhistleblowerComplaint.doc](http://www.colorado.gov/dpa/spb/docs/WhistleblowerComplaint.doc) )

(b) The Contractor shall include the substance of this clause including this paragraph (b) in all subcontracts.

#### **g.) Funding of Programs**

The Contractor acknowledges that the programs supported with temporary federal funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, will not be continued with state financed appropriations once the temporary federal funds are expended.

#### **h.) Fixed Price - Competitively Bid**

Contractor, to the maximum extent possible, shall award any subcontracts funded, in whole or in part, with ARRA funds as fixed-price contracts through the use of competitive procedures.

#### **i.) Segregation of Costs**

Contractor shall segregate obligations and expenditures of ARRA funds from other funding. No part of funds made available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be comingled with any other funds or used for a purpose other than that of making payments for costs allowable under the ARRA.

#### **j.) Publication**

All contract solicitations funded in whole or in part with ARRA funds will be posted on the State BIDS website <https://www.gssa.state.co.us/VenSols>. All contracts resulting from the ARRA will be published on the State of Colorado's Recovery Web site, [www.colorado.gov/recovery](http://www.colorado.gov/recovery).

Contractor shall include the Colorado Recovery logo on all signage or other publications in connection with the activities funded by the State of Colorado through funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

#### **k.) Non- Discrimination**

The Contractor shall comply with Title VI and Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and other civil rights laws applicable to recipients of Federal financial assistance.

#### **l.) Prohibition on Use of Funds**

None of the funds made available under this contract may be used for any casino or other gambling establishment, aquarium, zoo, golf course, swimming pools, or similar projects.

#### **m.) False Claims Act**

The Contractor shall promptly refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

#### **n.) Conflicting Requirements**

Where ARRA requirements conflict with existing state requirements, ARRA requirements control.

**o.) Job Opportunity Posting Requirements**

Contractor shall post notice of job opportunities created in connection with activities funded in whole or in part with ARRA funds in the Connecting Colorado Job Site, <http://www.connectingcolorado.com/>.

**p.) Compliance with National Environmental Policy Act**

In accordance with ARRA § 1609, the State agencies, contractors/grantees and sub-contractors/sub-grantees must comply with any applicable environmental impact requirements of the National Environmental Policy Act of 1970, (NEPA).